

RETURN DATE: NOVEMBER 6, 2018

NINETEEN THAMES STREET  
PARTNERSHIP

VS.

BAILEY AGENCIES, INCORPORATED

: SUPERIOR COURT  
:  
: JUDICIAL DISTRICT OF NEW  
: LONDON AT NEW LONDON  
:  
: OCTOBER 5, 2018

**COMPLAINT**

**COUNT I (BREACH OF CONTRACT)**

1. The Plaintiff, Nineteen Thames Street Partnership, is a Connecticut general partnership with a principal place of business located at 19 Thames Street, Town of Groton, County of New London, State of Connecticut.
2. The Plaintiff is the owner of certain property located at 15 Thames Street, in Groton, Connecticut, a building containing office space that it leases to its tenants (the "Property").
3. The Defendant, Bailey Agencies, Incorporated (the "Defendant"), is or was a Connecticut corporation with a principal place of business located at 15 Thames Street, Town of Groton, County of New London, State of Connecticut.

4. John F. Scott, IV of 674 Cow Hill Road, Mystic, CT 06355 is or was the President and/ or other corporate officer of the Defendant, and is its duly authorized agent and its registered agent for service of process.
5. On or about March 1, 2012, the Plaintiff and Defendant entered into a written commercial lease agreement ("Lease Agreement") wherein the Plaintiff leased office space located within the Property (the "Leased Premises"). A copy of the Lease Agreement is attached hereto as Exhibit A.
6. The Lease Agreement provides for an initial lease term of ten (10) years.
7. The Lease Agreement provides that the Defendant was obligated to make payments on a monthly basis for rent, including without limitation, "Minimum Rent" and "Additional Rent" as those terms are defined under the Lease Agreement; "Common Facilities Charges," as defined under the Lease Agreement; and the Defendant's pro-rata share of real estate taxes.
8. The Lease Agreement provides that the Defendant shall pay late payment fees/ interest on unpaid rent.

9. The Lease Agreement provides that the Defendant shall be liable to pay for all utility services, and shall reimburse the Plaintiff to the extent it pays for utility services for the Premises.
10. The Lease Agreement provides that if the Lease Agreement is termination by the tenant's default (including without limitation, the failure to pay rent and/ or abandoning the Premises) then the landlord shall be entitled to recover the monthly rentals that would have accrued but for the termination.
11. The Lease Agreement provides for an award of costs and fees, including attorney's fees, to the prevailing party in litigation arising from the Lease Agreement.
12. After executing the Lease Agreement, the Defendant took occupancy of the Premises.
13. Thereafter, the Defendant became delinquent in its obligation to pay its rent, its pro-rata share of utilities, and Common Facilities Charges. The Defendant has failed to pay its rent for April 2018, and each month thereafter, despite demand for payment therefor. The Defendant has also failed to pay certain utilities and common use charges, which remain outstanding.

14. On or about April 30, 2018, the Defendant abandoned the Premises.
15. The Defendant breached the Lease Agreement by failing to make payment of its monthly obligations under the Lease Agreement, including without limitation, rent, and its share of Common Facilities Charges, and Taxes.
16. The Defendant breached the Lease Agreement by abandoning the Premises prior to the expiration of the Lease Term.
17. The Defendant remains in ongoing, material breach of its obligations under the Lease Agreement.
18. As a result of the Defendant's non-payment and ongoing breach of its Lease Obligations, the Plaintiff has suffered damages, including, without limitation, past rent, utilities, taxes, and common facilities charges; rent that would have accrued but for the Defendant's breach; costs associated with re-letting the Premises; storage fees; and its legal fees and costs.



## **COUNT II (UNJUST ENRICHMENT)**

1. The Plaintiff, Nineteen Thames Street Partnership, is a Connecticut general partnership with a principal place of business located at 19 Thames Street, Town of Groton, County of New London, State of Connecticut.
2. The Plaintiff is the owner of certain property located at 15 Thames Street, in Groton, Connecticut, a building containing office space that it leases to its tenants (the "Property").
3. The Defendant, Bailey Agencies, Incorporated, is a Connecticut corporation with a principal place of business located at 15 Thames Street, Town of Groton, County of New London, State of Connecticut.
4. On or about May 1, 2012, the Defendant took occupancy of the Premises.
5. Thereafter, the Defendant failed to pay costs associated with the use of the premises, including without limitation rent, real estate taxes, and utilities.
6. The Defendant was unjustly enriched in that it occupied and used the Premises and utilities without compensating the Plaintiff for the same.
7. The foregoing is to the Plaintiff's detriment in that it is entitled to compensation for the use and occupancy of office space it leases to its tenants. Additionally,

the Plaintiff, to its detriment, has become liable for taxes and utility costs that inured to the benefit of the Defendant.

WHEREFORE, Plaintiff claims:

1. Damages for breach of the Lease Agreement, including without limitation amounts due to Plaintiff thereunder, interest, late fees, and costs;
2. Damages for unjust enrichment;
3. Legal fees and costs;
4. Such other and further equitable relief as the court may deem fair and equitable.

THE PLAINTIFF  
NINETEEN THAMES STREET  
PARTNERSHIP

By 

Michael S. Bonnano, Esq.  
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Juris No. 425524  
860-447-8077 / Fax 860-447-9833  
Its Attorneys

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NINETEEN THAMES STREET  
PARTNERSHIP

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: JUDICIAL DISTRICT OF NEW  
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BAILEY AGENCIES, INCORPORATED

: OCTOBER 5, 2018

**STATEMENT OF AMOUNT IN DEMAND**

The amount in demand is greater than Fifteen Thousand Dollars (\$15,000.00) exclusive of interest and costs. The remedy sought is based upon an express or implied promise to pay a definite sum.

THE PLAINTIFF,  
NINETEEN THAMES STREET  
PARTNERSHIP

By \_\_\_\_\_

Michael S. Bonnanno, Esq.  
Geraghty & Bonnanno, LLC  
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EXHIBIT A

INDENTURE OF LEASE

BY AND BETWEEN

NINETEEN THAMES STREET PARTNERSHIP

("Landlord")

and

BAILEY AGENCIES, INCORPORATED

("Tenant")

DATED: March 1, 2012

- Term: 8/1/12 - 7/31/22
- 15 Thames - 6,353 ft<sup>2</sup>
- Prorata share - 19.26%
- Statement of CAM charges due 9/1 of each year
- No more than 5% increase each year allowed

## LEASE AGREEMENT

INDENTURE made as of the \_\_\_\_ day of \_\_\_\_\_, 2012, by and between NINETEEN THAMES STREET PARTNERSHIP, a Connecticut general partnership with an office address c/o OR&L Facility Services, 2 Summit Place, Branford, CT 06405, (hereinafter referred to as the "Landlord"), and BAILEY AGENCIES, INCORPORATED, a Connecticut corporation with an office address at 84 Plaza Court, Groton, CT 06340, d/b/a BAILEY INSURANCE AGENCIES (hereinafter referred to as the "Tenant").

### WITNESSETH:

#### ARTICLE I. DEFINITIONS

1.1 Additional Rent. In addition to the Minimum Rent, all other payments to be made by Tenant to Landlord shall be deemed to be and shall become Additional Rent hereunder whether or not the same be designated as such; and shall be due and payable on demand or together with the next succeeding installment of Minimum Rent, whichever shall first occur, together with interest thereon after Tenant has received thirty (30) days prior written notice; and Landlord shall have the same remedies for failure to pay the same as for a nonpayment of rent.

1.2 Common Facilities. Common Facilities shall mean all facilities furnished as defined in this Section 1.12 hereof, and designated for the general use, in common, of all occupants of the building (the "Building") situated at 15 Thames Street, Groton, CT (the "Property"), including the Tenant hereunder, its officers, agents, employees and customers. Common Facilities shall include, but are not limited to, landscaped areas, sidewalks, canopies and all portions of the Building not leasable to or occupiable by tenants and parking areas to include a designated visitor parking area adjacent to the entrance to the building, it being understood that Tenant employee parking will be in a non-designated area on a first come first serve basis in common with other tenants.

1.3 Premises. Certain office space located in the Building at the Property situated on the first floor, and containing approximately 6,353 square feet of Floor Area. The Premises are shown on the plan attached hereto as Exhibit A (the "Leasing Plan"), the dimensions shown thereon being approximate only.

1.4 Floor Area. Floor Area shall mean (and conclusively be deemed to be) 6,353 square feet, being the approximate floor space within the Premises.

1.5 Lease Term. Lease Term shall mean the period commencing on the Commencement Date, as defined in Section 1.11 hereof, and ending, unless sooner terminated as hereinafter provided, at midnight on the date of the expiration of the Tenth Lease Year, as

hereinafter defined, and the Lease Term shall further be deemed to include any extension of the Lease thereof by reason of any duly exercised Renewal Option granted herein.

1.6 Lease Year. Lease Year shall mean the twelve (12) consecutive full calendar month period beginning on the Rent Commencement Date, as hereinafter defined, or, if the Rent Commencement Date is not the first day of a month beginning on the first day of the first full month after the Rent Commencement Date and each succeeding twelve calendar month period throughout the Lease Term. Any period between the Commencement Date and the Rent Commencement Date shall be part of the first Lease Year.

1.7 Minimum Rent. Commencing with the Rent Commencement Date and for each Lease Year during the Lease Term, the annual Minimum Rent and monthly installments of Minimum Rent shall be in accordance with the following table:

<u>Original Lease Term</u>		
<u>Lease Year</u>	<u>Annual Minimum Rent</u>	<u>Monthly Minimum Rent</u>
First (1 <sup>st</sup> ) Lease Year	\$30,970.89 * (27,529.68)	\$ 3,441.21
Second (2 <sup>nd</sup> ) Lease Year	41,294.50	3,441.21
Third (3 <sup>rd</sup> ) Lease Year	41,294.50	3,441.21
Fourth (4 <sup>th</sup> ) Lease Year	41,294.50	3,441.21
Fifth (5 <sup>th</sup> ) Lease Year	41,294.50	3,441.21
Sixth (6 <sup>th</sup> ) Lease Year	44,471.00	3,705.92
Seventh (7 <sup>th</sup> ) Lease Year	44,471.00	3,705.92
Eighth (8 <sup>th</sup> ) Lease Year	44,471.00	3,705.92
Ninth (9 <sup>th</sup> ) Lease Year	44,471.00	3,705.92
Tenth (10 <sup>th</sup> ) Lease Year	44,471.00	3,705.92
<u>First Renewal Option Period</u>		
Eleventh (11 <sup>th</sup> ) Lease Year	\$44,918.10	\$ 4,076.51
Twelfth (12 <sup>th</sup> ) Lease Year	44,918.10	4,076.51
Thirteenth (13 <sup>th</sup> ) Lease Year	44,918.10	4,076.51
Fourteenth (14 <sup>th</sup> ) Lease Year	44,918.10	4,076.51
Fifteenth (15 <sup>th</sup> ) Lease Year	44,918.10	4,076.51

\* per amendment 1 dated 9/1/12 - see @ end of lease



Second Renewal Option Period

Sixteenth (16 <sup>th</sup> ) Lease Year	\$53,809.91	\$ 4,484.16
Seventeenth (17 <sup>th</sup> ) Lease Year	53,809.91	4,484.16
Eighteenth (18 <sup>th</sup> ) Lease Year	53,809.91	4,484.16
Nineteenth (19 <sup>th</sup> ) Lease Year	53,809.91	4,484.16
Twentieth (20 <sup>th</sup> ) Lease Year	53,809.91	4,484.16

1.8 Permitted Use. Provided that such use of the Premises at all times shall be in compliance with all applicable laws, ordinances, statutes, regulations and restrictions of record, that Tenant has obtained the prior written consent and permits of all governmental authorities having jurisdiction, and that the Premises shall not be used or occupied for any other purpose without the advance written consent of the Landlord, the Tenant shall use and occupy the Premises for its insurance offices and any activities reasonably related to or arising in connection with the conduct of such permitted use.

It is understood and agreed that Landlord makes no representation or warranty of any kind with respect to the suitability of the Premises for Tenant's intended use and/or with respect to the status of any zoning, building or other governmental laws, ordinances, rules and regulations which may govern Tenant's intended use of the Premises.

1.9 Real Estate Taxes. Real Estate Taxes shall mean all real estate taxes, assessments, water and sewer rents and other governmental impositions and charges of every kind and nature and every installment thereof which during the Lease Term is assessed, imposed, becomes a lien upon or becomes due and payable or is levied by the lawful taxing authorities against all or any part of the Property, including all reasonable costs and fees incurred by Landlord in contesting or negotiating the same with governmental authorities. Real Estate Taxes shall not include any inheritance, estate, succession, transfer, gift, franchise, corporation, income or profit tax or capital levy imposed upon Landlord; provided, however, that, if at any time during the Lease Term the methods of taxation currently prevailing are altered so that in lieu of or as a substitute for the whole or any part of Real Estate Taxes now levied, assessed or imposed, there shall be levied, assessed or imposed an income or other tax of whatever nature, then the same shall be included as part of Real Estate Taxes.

1.10 Renewal Options and Right to Terminate. Renewal Option shall mean two (2) periods of five (5) years each (each such period referred to herein as the "Renewal Option Period") from the expiration of the Original Term of this Lease Term and from the expiration of the First Renewal Option Period. Tenant shall have the option to extend the Lease Term for each such Renewal Option Period by written notice of the exercise of such option delivered to Landlord at least nine (9) months prior to the expiration of the Original Term of this Lease or prior to the expiration of the First Renewal Option Period, as the case may be, provided that

Tenant shall have no right to exercise any such Renewal Option provided for herein at any time that Tenant is in default under the terms of this Lease beyond any applicable notice and opportunity to cure period. Tenant shall have the right to terminate this Lease effective as of the expiration of the Seventh (7<sup>th</sup>) Lease Year by written notice of the exercise of such right delivered to Landlord at least three (3) months prior to the expiration of the Seventh (7<sup>th</sup>) Lease year and payment of the termination fee equal to the unamortized balance of Tenant improvements, brokerage fees and rental abatement amortized at eight percent (8.00%) interest. The termination fee is to be paid prior to the expiration of the Seventh (7<sup>th</sup>) Lease Year.

1.11 Commencement Date and Rent Commencement Date.

- (a) As used herein, the Commencement Date shall mean May 1, 2012.
- (b) As used herein, the Rent Commencement Date shall also mean May 1, 2012, except that no Minimum Rent shall be due and payable for the period May 1, 2012 through ~~July 31, 2012~~ August 31, 2012.

ARTICLE II. GRANTING CLAUSE

2.1 Lease of Premises. Landlord leases and rents to Tenant, and Tenant leases and rents from Landlord, the Premises; TO HAVE AND TO HOLD the Premises for the Lease Term.

ARTICLE III. POSSESSION AND CONSTRUCTION

3.1 Demise Includes Use of Common Facilities. The demise to Tenant includes, in addition to the Premises, parking spaces at the Property and the right to the nonexclusive use in common with others of the Common Facilities, subject to the terms and conditions of this Lease. Throughout the Lease Term Tenant shall have access to the Building and the Premises seven (7) days per week, twenty-four (24) hours a day, three hundred sixty-five (365) days a year.

3.2 Quiet Enjoyment. Tenant, upon paying the rent and performing Tenant's obligations under this Lease, shall peacefully and quietly have, hold and enjoy the Premises and the appurtenances thereto throughout the Lease Term; subject, however, to the provisions of this Lease and to all agreements, conditions, restrictions, encumbrances and mortgages to which this Lease is or may become subject and subordinate.

3.3 Condition of Premises. Except as otherwise provided in this Lease, Landlord and Tenant acknowledge that Landlord is delivering the Premises to Tenant in its as is condition, without warranty, express or implied. Tenant has examined the Premises, is satisfied with its condition and is accepting the same in such condition. Prior to the Commencement Date Landlord shall, at its sole cost and expense, perform the Landlord's work more particularly set forth on Exhibit A attached hereto and made a part hereof.

\* per lease Amendment 1 dated 9/1/12



#### ARTICLE IV. TENANT PAYMENTS

4.1 Tenant's Obligations To Pay Rent. During the Lease Term, Tenant shall pay to Landlord, without prior demand and without any deduction, abatement or set-off whatsoever, Minimum Rent and Additional Rent (sometimes collectively referred to herein as "rent") in the manner hereinafter provided. Tenant further agrees to pay, as provided herein below, maintenance, taxes and insurance charges, all of which shall be Additional Rent. All Tenant's payments required to be made to Landlord under this Lease shall be delivered to the office of Landlord at the address set forth on the first page of this Lease, or at such place or places as Landlord may from time to time designate by notice to Tenant.

4.2 Minimum Rent. Except as otherwise set forth in this Lease, Tenant shall pay to Landlord the annual Minimum Rent and monthly installments thereof in the amounts set forth in Section 1.7 of this Lease. Tenant agrees to pay to Landlord the annual Minimum Rent in advance on the first day of each calendar month during the Lease Term, in equal monthly installments, without prior demand, deduction, abatement or set-off. The Minimum Rent shall commence to accrue on August 1, 2012.

4.3 Common Facilities Charge. Commencing with the Rent Commencement Date and during the Lease Term, Tenant agrees to pay to Landlord, as Additional Rent, Tenant's pro-rata share, as hereinafter defined, of Landlord's operating costs of the Common Facilities (the "Common Facilities Charge"). Tenant's Common Facilities Charge shall be computed by multiplying the total Operating Costs, as hereinafter defined, incurred during each Lease Year by Tenant's pro-rata share, which shall mean a fraction (which may be expressed as a percentage), the numerator of which shall be the Floor Area of the Premises and the denominator of which shall be the gross leasable area of the Building. As of the date hereof, the parties agree and acknowledge that Tenant's pro-rata share under this Lease is 19.26%. Tenant's Common Facilities Charge shall be a monthly charge to be paid in advance, on the first day of each month, without demand, deduction, abatement or set-off. Tenant's initial monthly Common Facilities Charge is \$572.82. The first full month's Common Facilities Charge shall be prepaid pursuant to Section 25.21 of this Lease. If the Rent Commencement Date is other than the first day of a month, Tenant shall pay to Landlord on or before the Rent Commencement Date Tenant's pro-rata share of the monthly Common Facilities Charge attributable to the period from the Rent Commencement Date to the first day of the calendar month immediately following the Rent Commencement Date. Within forty-five (45) days after the end of each Lease Year, Landlord will furnish to Tenant a statement of the amount of Landlord's Operating Costs of the Common Facilities for the immediately preceding Lease Year and Landlord's estimate of Landlord's Operating Costs for the then Lease Year and Tenant's Common Facilities Charge for the then Lease Year. Tenant shall pay any deficiency in Tenant's Common Facilities Charge with respect to the preceding Lease Year within thirty (30) days of written demand from Landlord. Landlord shall credit any excess payments made by Tenant against the next regular installment of Tenant's Common Facilities Charge.



Tenant's Common Facilities Charge shall be based on all costs incurred in connection with operating, maintaining, repairing, insuring, replacing and managing the Common Facilities in a manner deemed by Landlord to be reasonable and appropriate, including without limitation: (a) all costs and expenses of operating, repairing, lighting, cleaning, removing ice and snow, painting, striping, securing (including cost of uniforms, equipment and all employment taxes) and insuring (including liability insurance, insurance and extended coverage against fire, theft or other casualty, worker's compensation insurance, fidelity bonds, and plate glass insurance) the Common Facilities; (b) all costs and expenses of paying all personnel employed in the operation, maintenance or repair of the Common Facilities, including management fees which shall not exceed 5% of rents derived from the Property as if the Property were 100% leased as of the Commencement Date; (c) all costs and expenses of removal of rubbish and debris, including provision of dumpsters and compactors for use by tenants, provided that all removal of rubbish from the Premises to such dumpsters and compactors provided by Landlord shall be the responsibility of Tenant, at Tenant's sole cost; (d) all costs of regulating traffic; ((e) all costs of the maintenance and repair of paving, curbs, walkways, drainage and lighting facilities; (f) all costs of planting, replanting and replacing flowers, shrubbery, planters and landscaping and the supplies required therefor; (g) the cost of all utilities, including the cost of standby water for fire protection, used in connection with the operation of the Common Facilities and water charges not separately metered to tenants; (h) all costs of maintenance and repair of the HVAC system; (i) all legal and accounting fees and expenses pertaining to the Property; and (j) an amount equal to five percent (5%) of the total of the foregoing costs and expenses (excluding management fees and insurance costs) to cover the Landlord's administrative and overhead costs (all of the foregoing herein referred to as "Operating Costs").

Operating Costs shall not include (i) interest or payments on any mortgage financing for the Property, (ii) legal fees, accounting fees unrelated to determining Operating Costs, leasing and brokerage commissions, advertising expenses and other costs incurred in connection with the leasing of the Building, and (iii) except as otherwise provided herein, the cost of the initial repaving of the parking areas, and the cost of any alteration, addition, change, replacement, improvement, repair, fixture and equipment, and other items which under generally accepted accounting principles consistently applied, are properly classified as a capital expenditure.

Within six (6) months of Tenant's receipt of Landlord's annual statement of the Common Facilities Charge and not more often than once during each Lease Year, Tenant shall have the right to inspect Landlord's records relating to such Common Facilities Charges reflected in such statement, at Landlord's offices where such records are maintained and during Landlord's normal business hours.

Notwithstanding anything contained herein to the contrary, Tenant's Common Facilities Charge shall not increase by more than five (5%) percent per year.

Tenant further agrees that should Landlord reasonably determine and notify Tenant that Tenant's use and occupancy of the Premises or the Common Facilities causes additional Operating Costs in excess of those reasonably and customarily incurred in connection with a professional office building, Tenant shall pay, as Additional Rent, in addition to its pro-rata share



of other components of Operating Costs and as part of Tenant's Common Facilities Charges, all of such additional costs.

4.4 Taxes. Commencing with the Rent Commencement Date and during the Lease Term, Tenant agrees to pay to Landlord on the first day of each month, in advance, without demand, deduction, abatement or set-off and together with the monthly installment of Minimum Rent, Tenant's pro-rata share, as defined in Section 4.3 hereof, of Real Estate Taxes. Tenant's initial monthly charge for Real Estate Taxes is \$670.11. Such monthly charge may be periodically adjusted by Landlord to more accurately reflect Tenant's share of Real Estate Taxes. The Tenant's first full month's pro rata share of Real Estate Taxes shall be prepaid pursuant to Section 25.21 of this Lease. If the Rent Commencement Date is other than the first day of a month, Tenant shall pay to Landlord on or before the Rent Commencement Date Tenant's pro-rata share of the monthly Real Estate Taxes attributable to the period from the Rent Commencement Date to the first day of the calendar month immediately following the Rent Commencement Date.

Within forty-five (45) days after the end of each tax year during the Lease Term, Landlord shall mail to Tenant a statement setting forth the Real Estate Taxes for the preceding tax year and Tenant's pro-rata share thereof. Tenant's pro-rata share of Real Estate Taxes paid or payable for each tax year during the Lease Term shall be adjusted between Landlord and Tenant, each party hereby agreeing to pay to the other, within thirty (30) days of the mailing of the aforesaid statement to Tenant, such amount as may be necessary to effect Tenant's proportionate share of Real Estate Taxes based upon actual amounts due.

The term "tax year" as used herein shall mean the twelve-month period from July 1st of each year through June 30th of the immediately following year.

Should Tenant's obligation for the payment of Real Estate Taxes pursuant to this Lease originate or terminate for less than a full tax year, Tenant's liability for Real Estate Taxes shall be subject to a pro rata adjustment based on the number of months of said tax year for which Tenant's obligation to pay Real Estate Taxes is in effect.

Tenant shall pay promptly when due all taxes directly or indirectly imposed or assessed on Tenant's business operations, machinery, equipment, improvements, personal property or assets.

4.5 Insurance Premiums. Tenant agrees to pay to Landlord, as Additional Rent due within thirty (30) days after demand, any increase in premiums that may be charged on insurance carried by Landlord resulting from Tenant's use or occupancy of the Premises or the Property. In determining whether increased premiums are the result of Tenant's use or occupancy of the Premises, a schedule or "make-up" rate of the organization issuing the fire insurance, extended coverage, vandalism and malicious mischief, special extended coverage or any all-risk insurance rates for the Premises or Property or any rule books issued by the rating organization or similar bodies or rating procedures or rules of Landlord's insurance companies shall be conclusive evidence of the several items and charges which make up the insurance rates and premiums on

the Premises and the Property. If due to the Tenant's failure to occupy the Premises, as herein provided, any such insurance shall be canceled by the insurance carrier, then Tenant shall indemnify and hold Landlord harmless against any loss which would have been covered by such insurance. Tenant also shall pay any increase in premiums on rent insurance as may be carried by Landlord if the increase results from Tenant's occupancy or failure to occupy.

4.6 Net Lease. It is the intention of the parties that the rent payable hereunder shall be net to Landlord, so that this Lease shall yield to Landlord the net annual Minimum Rent specified herein during the Lease Term, and that all costs, expenses and obligations of every kind and nature whatsoever relating to the Premises shall be paid by Tenant as Additional Rent, except as to payments on any mortgages or ground leases on all or any part of the Property and except as to Landlord's capital expenditures.

#### ARTICLE V. USE OF THE PREMISES

5.1 Permitted Use. During the Lease Term the Premises shall be used and occupied solely for the purposes set forth in Section 1.8 and for no other purposes without the written consent of Landlord.

5.2 Legal Operation of Premises. Tenant shall not use or permit the Premises or any part thereof to be used for any purpose or use in violation of any law or any regulation of any governmental authority or in any manner that will constitute a nuisance or an unreasonable annoyance to any occupant of the Building or in a manner that will injure the reputation of the Property or for any extra hazardous purpose or in any manner that will violate, suspend, void or increase the premium rate of or impair or invalidate any coverage under any policy or policies of insurance at any time carried on the Property.

5.3 Rules and Regulations. Landlord reserves the right from time to time and after notice to Tenant to adopt and promulgate reasonable rules and regulations applicable to the Premises and the Property provided they are nondiscriminatory to Tenant and not inconsistent with Tenant's rights under this Lease and Tenant agrees to comply with and observe the same and as they may be amended or supplanted.

5.4 Premises Heating and Air-Conditioning. Tenant agrees to operate the heating and air-conditioning systems and equipment in and serving the Premises in such a manner so as to maintain an adequate and comfortable temperature within the Premises during Tenant's business hours and at such temperatures during non-business hours as to prevent the freezing of any pipes or plumbing facilities.

#### ARTICLE VI. COMMON FACILITIES

6.1 Common Facilities Under Control of Landlord. The Common Facilities shall at all times be subject to the exclusive control and management of Landlord, and Landlord shall have the right from time to time, and providing the visibility of and the access to the Premises are not materially and adversely affected, to change the area, level, location and arrangement of



parking areas and other facilities comprising the Common Facilities; restrict parking by Tenant and its employees to employee parking areas; do such things as in Landlord's reasonable discretion may be necessary regarding said facilities; and make all rules and regulations pertaining to and necessary for the proper operation and maintenance of the Common Facilities, which are not inconsistent with Tenant's rights under this Lease. Landlord shall be responsible for landscaping, snow and ice removal and sanding, trash removal and repair and maintenance of the Common Facilities. Except as specifically provided in this Lease, Tenant will have no right or interest in the Common Facilities. Landlord will not be subject to any liability to Tenant and Tenant shall not be entitled to any compensation, reduction or abatement of rent by reason of any change or diminution of the Common Facilities nor shall any change constitute a constructive or actual eviction, however, in no event will any change or diminution affect Tenant's access to the Premises.

#### ARTICLE VII. UTILITIES

7.1 Obtaining Utilities. The utilities serving the Premises shall be separately metered or submetered to the Premises and Tenant shall cause such meter(s) to be placed and maintained in its name with the utility company on and after the date Tenant enters into possession of the Premises. Tenant shall be responsible for all charges for utility services, shall make timely payment to the appropriate utility companies in accordance with bills by any said companies and shall indemnify Landlord and save it harmless against any liability on account thereof. If any such utility charges are not paid by Tenant when due, Landlord may pay the same to the utility company and the amount so paid by Landlord shall be reimbursed by Tenant, with interest and as Additional Rent, upon demand. Landlord shall have the ongoing right of first refusal to provide fuel oil and/or propane to the Premises at market price.

7.2 Installation of Equipment by Tenant. Tenant agrees that it will not install any furnishings, fixtures or equipment which will exceed or overload the capacity of any utility facilities and that if additional utility facilities are required, the same shall be installed at Tenant's expense in accordance with plans and specifications approved in writing by Landlord.

7.3 Cessation of Utilities. Landlord shall not be liable to Tenant for any damages if the furnishing of any utilities by any utility company are interrupted or terminated for necessary repairs or improvements or any cause beyond Landlord's control, nor shall any such interruption or cessation relieve Tenant from performance of Tenant's agreements under this Lease.

#### ARTICLE VIII. LIENS

8.1 Discharge of Liens. Tenant shall, prior to the commencement of any work upon or within the Premises, do all things necessary to prevent the filing of any mechanics' or other liens against the Property, the Premises or any part thereof by reason of work, labor, services or materials supplied or claimed to have been supplied to Tenant or anyone holding the Premises, or any part thereof, through or under Tenant. If any such lien or notice thereof shall at any time be recorded, then Tenant shall cause the same to be discharged of record, by bonding or otherwise, within thirty (30) days after the receipt of notice by Tenant that the same has been recorded. If



Tenant fails to discharge such lien within such period, then, in addition to any other right or remedy of Landlord resulting from such default, Landlord may, but shall not be obligated to, discharge the same either by paying the amount claimed to be due or by procuring the discharge of such lien in a manner prescribed by law. Tenant shall repay to Landlord, as Additional Rent and upon demand, all sums disbursed or deposited by Landlord pursuant to the provisions of this Article, including interest, and the costs, expenses and reasonable attorneys' fees incurred by Landlord in connection therewith. Notice is hereby given that Landlord shall not, under any circumstances, be liable to pay for any work, labor, materials or services rendered or furnished to Tenant or anyone holding the Premises, or any part thereof, through or under Tenant and Tenant shall indemnify, defend and hold Landlord harmless from any and all loss, damage, claims, liabilities, judgments, costs and expenses, including reasonable attorneys' fees, arising out of or by reason of any such lien or claim for payment.

#### ARTICLE IX. MAINTENANCE, REPAIR AND ALTERATIONS

9.1 Landlord and Tenant Repair. Landlord agrees that it will be responsible during the Lease Term for any necessary repairs or replacements to the building structure, exterior, roof, footings, electrical and plumbing, wires, ducts, lines and pipes to the point of entry to the Premises (other than those to be repaired or replaced by a utility company), and the Common Facilities, the replacement of the furnace and HVAC system, not caused, as to any such obligations, by the acts or omissions of Tenant, its contractors, employees, agents or invitees.

Except for the repairs to be performed by Landlord pursuant to the foregoing paragraph and repairs required under any Landlord warranty, Tenant agrees to keep and maintain in good order, condition and repair as necessary, the Premises and every part thereof, Tenant will surrender the Premises at the expiration or earlier termination of this Lease in as good condition as when received, ordinary wear and tear and damage by fire and other casualty excepted. In no event will Tenant be responsible for capital improvements, defined as repair, replacement or other work costing in excess of \$2,000.00.

9.2 Alteration of Premises. Tenant shall not make any alterations or improvements to the Premises, other than nonstructural alterations not visible from the exterior costing less than \$5,000.00, without Landlord's prior written consent.

9.3 Fixtures and Signs. Tenant shall not install or affix any sign, device, fixture or attachment on or to the exterior or interior of the Premises, the lobby, or upon the Common Facilities, without Landlord's prior written consent which shall not be unreasonably withheld. If Tenant shall do any of the foregoing acts in contravention of this provision, then Landlord shall have the right to remove any such decoration, paint, alteration, sign, device, fixture or attachment, etc., and restore the Premises and/or the Common Facilities to the condition thereof prior to such act, and the cost of such removal and restoration shall be paid by Tenant, with interest, as Additional Rent, upon demand. All signs and fixtures Tenant is permitted to install hereunder shall be installed and maintained solely at Tenant's cost and in compliance with all governmental laws, rules, ordinances and requirements with respect thereto and shall be removed by Tenant, at Tenant's sole cost, upon the expiration or termination of the Lease Term. Tenant



shall promptly repair any damage caused by removal of its signage and fixtures and shall promptly restore the Premises to its prior condition. Notwithstanding the above, Tenant, subject to Landlord's review and approval, which approval shall not be unreasonably withheld, shall be permitted to install a marquee sign on the fascia of the Premises of a size not exceeding the maximum allowed by the local permitting authorities (without the benefit of any variance).

9.4 Construction Standards. All construction work done by Tenant with respect to the Premises shall be performed in a good workmanlike manner in compliance with all governmental requirements, in compliance with all the terms of this Lease and at such times and in such manner as to cause a minimum of interference with other construction in progress and with the transaction of business in the Building. Tenant agrees to indemnify, defend and hold Landlord harmless from and against any loss, liability or damage resulting from such work. Whenever Tenant proposes to do any construction work with respect to the Premises, it shall first furnish to Landlord plans and specifications in such detail as Landlord deems necessary covering all such work. Such plans and specifications shall comply with such reasonable requirements as Landlord may from time to time prescribe. In no event shall any construction work be commenced with respect to the Premises without Landlord's written approval of such plans and specifications, and the obtaining by Tenant of all permits from governmental authorities, and the delivery of copies of such permits to Landlord.

#### ARTICLE X. ENTRY, INSPECTION, POSTING AND DISPLAY

10.1 Posting Notices. Landlord and any authorized representative of Landlord shall have the right to enter the Premises at all reasonable times during business hours for any of the following purposes: serving or posting notices required by any law or which Landlord may reasonably deem necessary or appropriate for the protection of Landlord or its interest; inspecting the Premises; inspecting the heating and air-conditioning service facilities and sprinkler facilities; any other reason that may be necessary to comply with any laws, ordinances, rules, regulations or requirements of any public authority or any applicable standards of any insurance carrier, Board of Underwriters, Rating Bureau or similar bodies or that Landlord may deem necessary to prevent waste, loss, damage, or deterioration to or in connection with the Premises. Nothing herein shall imply any duty on Landlord to do any work which Tenant may be required to perform under this Lease, and Landlord's performance thereof shall not constitute a waiver of Tenant's default in failing to perform the same. Landlord may, during the progress of any work on the Premises, keep and store upon the Premises all necessary materials, tools and equipment without the same constituting a constructive eviction of Tenant in whole or in part, and the rents reserved shall not abate while said work is in progress. Landlord shall not in any event be liable for inconvenience, annoyance, disturbance, loss of business or other damage of Tenant by reason of the performance of any work on the Premises, or on account of bringing materials, supplies and equipment into or through the Premises during the course of work on or in or under the Premises, and the obligations of the Tenant under this Lease shall not thereby be affected in any manner whatsoever. However, Landlord, in connection with the doing of any such work, will exercise reasonable care and will cause as little inconvenience, annoyance, disturbance, loss of business or other damage to Tenant as may reasonably be possible under the circumstances.



10.2 Entry to Premises. Landlord and its representatives may enter the Premises at all reasonable times after reasonable notice during business hours for the purpose of exhibiting the same to prospective purchasers, mortgagees, lessees and tenants and, during the final nine (9) months of the Lease Term, may exhibit the Premises for hire.

10.3 Landlord's Easement. Tenant hereby grants to Landlord such licenses and easements in, over or under the Premises or any portions thereof as shall be reasonably required for the installation or maintenance of mains, conduits, pipes, ducts or other facilities to serve the Property; provided, however, that Landlord in its exercise, occupancy under or enjoyment of any such license or easement shall use commercially reasonable efforts not to unreasonably interfere with Tenant's use, occupancy or enjoyment of the Premises as contemplated by this Lease.

#### ARTICLE XI. LAWS AND INSURANCE STANDARDS

11.1 Compliance With Laws and Standards. Tenant shall, during the Lease Term and at Tenant's sole cost and expense, promptly comply in every respect with all laws, ordinances, rules and regulations of all federal, state, county and municipal governments now in force or that may be enacted hereafter; all directions, rules and regulations of the fire marshall, health officer, building inspector, other proper officers of the governmental agencies having jurisdiction over the Premises; and all carriers of insurance on the Premises, any Board of Underwriters, Rating Bureau and any similar bodies, applicable to Tenant's use and occupancy of the Premises. Subject to the Landlord's obligations under Section 9.1, Tenant shall, at Tenant's sole cost and expense, make all changes to the Premises which may be required in order to comply with the foregoing. Tenant agrees to indemnify, defend and save Landlord harmless from any penalties, damages or charges imposed for any violation of any and all laws, ordinances, rules or regulations or violations of the covenants herein expressed, whether occasioned by Tenant, its agents, or any of Tenant's employees, contractors, suppliers, licensees, including their respective agents, customers or invitees.

11.2 Tenant's Use of Premises Impaired. Tenant shall have no claim against Landlord for any damages should Tenant's use and occupancy of the Premises for the purpose set forth in this Lease be prohibited or substantially impaired by reason of any law, ordinance or regulation of federal, state, county or municipal governments or by reason of any act of any governmental or other public authority.

#### ARTICLE XII. INDEMNIFICATION

12.1 Tenant Indemnity. Except for the gross negligence or willful and wanton acts of Landlord, its agents, employees or contractors: Tenant shall indemnify, defend and hold Landlord harmless from any suits, actions, damages, liabilities, obligations, judgments, costs and expenses in connection with any personal injury, including loss of life, or property damage arising from or out of any occurrence in, upon, at or from the Premises or the occupancy or use by Tenant of the Premises or occasioned wholly or in part by any act or omission by Tenant, its agents, contractors, employees, servants, invitees, licensees or concessionaires, whether or not occurring or resulting in damage or injury within the Premises or upon the Common Facilities; Landlord



shall not be responsible or liable at any time for any loss or damage to Tenant's equipment, fixtures or other personal property of Tenant or to Tenant's business; Landlord shall not be responsible or liable to Tenant, or to those claiming by, through or under Tenant, for any loss or damage to either the person or property of Tenant, or of those claiming by, through or under Tenant, that may be occasioned by or through the acts or omissions of persons occupying adjacent, connecting or adjoining premises; Landlord shall not be responsible or liable for any defect, latent or otherwise, in the Building or in any of the equipment, machinery, utilities, appliances or apparatus therein; Landlord shall not be responsible or liable for any injury, loss or damage to any person or to any property of Tenant or other person caused by or resulting from bursting, breakage or leakage, steam or snow or ice, running, backing up, seepage, or the overflow of water or sewage in any part of the Building or for any injury or damage caused by or resulting from any defect or negligence in the occupancy, construction or use of the Building or Property, or machinery, apparatus or equipment therein or thereon; or by or from the acts of negligence of any occupant of the Building. Tenant shall give prompt notice to Landlord in case of fire or accidents in the Premises or in the Building and of defects therein or in any fixtures or equipment. In case Landlord shall without fault on its part be made a party to any litigation commenced by or against Tenant, Tenant shall protect and hold Landlord harmless and shall pay all reasonable costs, expenses and attorney's fees in connection therewith.

12.2 Tenant Liability Insurance. Tenant shall at all times during the Lease Term maintain in full force and effect the following insurance with insurance companies licensed to do business in the State of Connecticut and with an A.M. Best Rating of not less than A:

(a) Commercial General liability insurance in the amount of at least One Million Dollars (\$1,000,000) each occurrence and a Two Million Dollar general aggregate.

(b) Fire Damage Coverage as part of a Commercial General Liability insurance policy in the amount of at least Five Hundred Thousand Dollars (\$500,000).

(c) At all times during the Lease Term, Tenant shall furnish annually to Landlord the most recent, Connecticut Insurance Department approved, Acord 25 "Certificate of Liability Insurance" executed by the insurer or its agent. The Acord 25 certificate shall include cancellation language defining that the insurance company will follow applicable state cancellation laws by including the following current cancellation statement on the certificate which may be amended by Acord and approved by the Connecticut Insurance Commissioner from time to time: "Should any of the above described policies be cancelled before the expiration date thereof, notice will be delivered in accordance with the policy provisions."

The insurance and certificates required in subsections (a) through (c) above shall name Landlord as an additional insured for the full amount of the insurance herein required. Such insurance shall be primary over any insurance coverage maintained by Landlord. The Tenant shall amend its policies, if required, to indicate that its policies are primary over those maintained by the Landlord. With respect to each policy of such insurance and each renewal thereof, Tenant, at the beginning of the Lease Term and thereafter not less than thirty (30) days prior to the expiration of any such policy, shall furnish Landlord with a certificate of evidence of insurance



executed by the insurer involved which shall include an undertaking by the insurer to give Landlord at least thirty (30) days' prior written notice of cancellations, nonrenewal or reduction in scope or amount of coverage of such policy. Tenant shall, at all times, maintain worker's compensation insurance to comply with the applicable laws of the State of Connecticut.

#### ARTICLE XIII. FIRE INSURANCE, DAMAGE AND DESTRUCTION

13.1 Landlord Insurance. At all times during the Lease Term, Landlord shall maintain in effect with a responsible insurance company or companies policies of insurance covering the Property, providing protection to the extent of not less than the full replacement cost and against all casualties included under standard insurance industry practices within the classification "All Risk". Nothing in this Section shall prevent the taking out of policies of blanket insurance which may cover real and/or personal property and improvements in addition to the Property; provided, however, that in all other respects each such policy shall comply with the provisions of this Section.

#### 13.2 Tenant Insurance.

At all times during the Lease Term, Tenant shall furnish annually to Landlord the most recent, Connecticut Insurance Department approved, Acord 25 "Certificate of Liability Insurance" executed by the insurer or its agent. The Acord 25 certificate shall include cancellation language defining that the insurance company will follow applicable state cancellation laws by including the following current cancellation statement on the certificate which may be amended by Acord and approved by the Connecticut Insurance Commissioner from time to time: "Should any of the above described policies be cancelled before the expiration date thereof, notice will be delivered in accordance with the policy provisions."

Landlord and Tenant hereby grant to each other, and on behalf of any insurer providing the insurance to either of them described in Sections 13.1 and 13.2, a waiver of any its rights against the other which is coverable under such insurance and any rights of subrogation any such insurer of one party may acquire against the other by virtue of payment of any loss under such insurance whether due to negligence or any other cause.

13.3 Landlord Repair. If the Premises are partially damaged by any fire or casualty covered under the Landlord's insurance policy pursuant to Section 13.1, Landlord will, upon receipt of the insurance proceeds, restore the same; provided, however, Landlord's obligation to restore the Premises shall be limited to such restoration as can be financed by such insurance proceeds actually received by Landlord, free and clear from collection by any mortgagees and after deducting the cost and expense, if any, including attorneys' fees, of settling with the insurer. In the event said repair or restoration is not commenced within two (2) months of said damage, then Tenant may, upon thirty (30) days' written notice to Landlord, terminate this Lease.

13.4 Lease Termination. If the Premises (a) by reason of a loss are rendered untenable or (b) should be damaged as a result of a risk which is not covered by Landlord's insurance or (c) should be damaged in whole or in part during the last two (2) years of the Lease Term or any renewal term thereof or (d) if the Building or Common Facilities are damaged,



whether or not the Premises are damaged, to such an extent that the Premises cannot, in the reasonable judgment of Landlord, be operated as an integral unit, then Landlord may either elect to repair the damage or may cancel this Lease. Landlord shall give the Tenant written notice of its election to terminate or to continue the Lease within ninety (90) days after such event. In the event greater than twenty-five (25%) per cent of the Premises are rendered untenable or if the Common Facilities are damaged and prevent access to the Premises, Tenant may elect to terminate the Lease upon thirty (30) days' prior written notice. In the event of termination, this Lease shall expire at the end of the calendar month in which such notice of termination is given and Tenant shall vacate and surrender the Premises to the Landlord. In the event of notice by Landlord that Landlord has elected to continue this Lease, Landlord and Tenant shall commence their respective obligations for repair as soon as is reasonably possible and prosecute the same to completion with all due diligence.

13.5 Rent Abatement. The Minimum Rent shall be abated proportionately with the degree to which Tenant's use of the Premises is impaired during the period of any damage, repair or restoration provided for in this Article; provided that in the event Landlord elects to repair the damage insurable under Landlord's policies, any abatement of rent shall end five (5) days after notice by Landlord to Tenant that the Premises have been repaired. Tenant shall continue the operation of its business on the Premises during any such period to the extent reasonably practicable from the standpoint of prudent business management. Except for the abatement of Minimum Rent hereinabove provided, Tenant shall not be entitled to any compensation or damage for loss in the use of the whole or any part of the Premises and/or any inconvenience or annoyance occasioned by any damage, destruction, repair or restoration.

13.6 Tenant Repairs. Unless this Lease is terminated as provided herein, Tenant shall repair, restore and refixture the Premises not insured under Landlord's insurance policy in a manner and to a condition equal to that existing prior to its destruction or casualty, including, but not by way of limitation, all exterior signs, trade fixtures, equipment, display cases, furniture, furnishings and other installations of personalty of Tenant.

#### ARTICLE XIV. EMINENT DOMAIN

14.1 Entire Taking. In the event all of the Premises is taken under the power of eminent domain or by deed in lieu thereof (a "taking"), this Lease shall terminate as of the date possession is taken by the condemning authority.

14.2 Partial Taking Other than Premises. If more than ten percent (10%) of the floor area of the Building, whether or not any portion of the Premises is taken, or If more than twenty percent (20%) of the number of parking spaces or any access to the Property is taken, then Landlord may, by written notice to Tenant, terminate this Lease effective as of the date possession is taken by the condemning authority.

14.3 Partial Taking Premises. In the event that a portion of the Floor Area is taken and the portion not so taken will not, in the reasonable business judgment of both Landlord and Tenant, be suitable for the operation of Tenant's business notwithstanding Landlord's



performance of restoration as hereinafter set out in this Section, this Lease shall thereupon terminate as of the date possession of said portion is taken. In the event of any taking which is not sufficiently extensive to render the Premises unsuitable for the business of the Tenant, the provisions of this Lease will remain in full force and effect, except that the Minimum Rent will be reduced in the same proportion that the amount of Floor Area taken bears to the Floor Area immediately prior to such taking and Landlord shall, upon receipt of the award in condemnation, make all necessary repairs or alterations to the Premises so as to constitute the portion of the building not taken a complete architectural unit, but Landlord shall not be required to spend for such work more than that portion of the award actually received by Landlord, free and clear to Landlord of any amount retained by mortgagees and after payment of all collection costs, including but not limited to attorneys fees. Tenant, at its own cost and expense, shall, with respect to all exterior signs, trade fixtures, equipment, display cases, furniture, furnishings and other installations of personality of Tenant, restore such part of the Premises as is not taken to as near its former condition as the circumstances will permit.

14.4 Condemnation Award. In the event the Premises or the Property or any part of either shall be taken either permanently or temporarily for any public or quasi-public use or purpose by any competent authority in appropriate proceedings or by any right of eminent domain, or by deed in lieu thereof, the entire compensation and award for both leasehold and reversion shall belong to the Landlord without any deduction therefrom for any present or future estate of Tenant, and Tenant hereby expressly waives any claim and assigns to Landlord all its right, title and interest to any such award. However, Tenant shall be entitled to claim in any such condemnation proceedings such award as may be allowed for relocation costs, fixtures and other equipment installed by it, but only to the extent that the same shall not reduce but be in addition to Landlord's award.

14.5 Rent Proration. If the Lease is terminated as provided in this Article, all rent and other charges shall be paid up to the date that possession is taken by public authority, and Landlord shall refund any rent and other charges paid by Tenant in advance and not yet earned.

#### ARTICLE XV. STATEMENT OF TENANT

15.1 Delivery of Information. Tenant shall, at any time and from time to time within fifteen (15) days of written request by Landlord deliver to Landlord an executed and acknowledged written declaration in recordable form: (1) ratifying this Lease; (2) expressing the commencement and termination dates hereof; (3) certifying that this Lease is in full force and effect and has not been assigned, modified, supplemented or amended (except by such writings as shall be stated and attached); (4) certifying that, to the extent of Tenant's knowledge, and if true, that all conditions under this Lease to be performed by Landlord have been satisfied; (5) certifying that there are no known defenses or offsets against the Landlord's enforcement of this Lease, or stating those claimed by Tenant; (6) stating any advance rental (or none if such is the case) paid by Tenant; (7) stating the date to which rental has been paid; and (8) setting forth such additional information as may be reasonably requested by Landlord.



## ARTICLE XVI. ASSIGNMENT AND SUBLETTING

16.1 Assignment and Subletting. Tenant shall not transfer, assign, or sublet this lease or change ownership, voting or operational control of Tenant (herein collectively, together with the sale, transfer, or other disposition at any one time or cumulatively, of more than twenty five percent (25%) of the ownership interests of Tenant, referred to as a "Transfer"), without obtaining the prior written consent of Landlord, which consent shall not be unreasonably withheld. Any request for the Landlord's consent shall include the name, address, financial statement and proposed use of the Premises by the proposed assignee or subtenant. The Landlord's consent to any transfer shall not relieve Tenant or any guarantor from its covenants and obligations under this Lease. Tenant agrees to reimburse Landlord for Landlord's reasonable attorney's fees incurred in preparing and/or processing any documentation and/or in analyzing any request for a Transfer. The Landlord may require, as part of its consent to an assignment, that a security deposit in an amount equivalent to one (1) monthly installment of Minimum Rent due for the month immediately preceding the effective date of the assignment be made, otherwise the terms of the Lease shall remain unchanged. If there is a dispute between Landlord and Tenant as to the reasonableness of Landlord's refusal to consent to any Transfer, such dispute shall be determined by arbitration in Groton, Connecticut, in accordance with the prevailing rules of the American Arbitration Association. The arbitrators shall be bound by the provisions of this Lease and shall not add to, subtract from, or otherwise modify such provisions.

In each of the following instances, the withholding of the Landlord's consent to a Transfer shall be deemed to be reasonable.

A. The Premises, without Landlord's prior consent, have been listed or otherwise publicly advertised for assignment or subletting at a rental rate lower than the then prevailing rental rate for other space in the Building.

B. The Tenant is then in default hereunder beyond the expiration of any applicable grace period;

C. The proposed assignee or subtenant shall propose to use the Premises for any use other than the Permitted Use;

D. The proposed assignee or subtenant is then a tenant, subtenant or assignee of space in the Building, or the proposed assignee or subtenant is a person or entity with whom Landlord is then negotiating to lease space in the Building;

E. In case of subletting, the subtenant does not agree in writing that its subtenancy shall be expressly subject to all of the obligations of Tenant under this Lease and that the sublease shall not be assigned, encumbered or otherwise transferred or further sublet by the subtenant in whole or in part, or any part thereof suffered or permitted by the subtenant to be used or occupied by others, without the prior written consent of Landlord in each instance;



F. If any subletting does not end at least one (1) day before the last day of the Lease Term;

G. If any subletting shall be for less than the entire Premises;

H. If Tenant and its subtenant have not executed and delivered an agreement in form and substance satisfactory to Landlord in its sole discretion that provides that upon default by Tenant in the payment of any Minimum Rent or Additional Rent pursuant to this Lease, subtenant shall, at Landlord's option, pay any Minimum Rent and Additional Rent due under the sublease to Landlord, who shall offset same against Tenant's obligations herein, and any amount so paid shall be offset by Tenant as sublandlord against the obligations of the subtenant to Tenant.

If Tenant fails or refuses to pay or reimburse Landlord on demand for any costs (including reasonable attorney's fees and disbursements) that may have been or may be incurred by Landlord in connection with said assignment or sublease.

16.2 Documentation Required. Each Transfer, including Permitted Transfers, shall be by an instrument in writing in commercially reasonable form, and shall be executed by the transferor, assignor or sublessor and the transferee, assignee or sublessee, in each instance, as the case may be; and each transferee assignee, or sublessee, shall agree in writing, unconditionally, for the benefit of Landlord herein to assume, be bound by, and perform the terms, covenants and conditions of this Lease to be done, kept and performed by Tenant, including the payment of all amounts due or to become due under this Lease directly to Landlord and that notwithstanding such transfer, the provisions of this Article XVI shall continue to be binding upon such transferee or sublessee with regard to any future transfer

16.3 Tenant Includes Approved Assignees and Subtenants. If Landlord agrees to any Transfer the term "Tenant" shall thereafter be deemed to include, without further reference, the party to whom such interest is transferred.

16.4 Tenant Includes Successors. All rights, obligations and liabilities herein given to, or imposed upon, the respective parties hereto shall extend to and bind the several and respective heirs, executors, administrators, successors, subtenants, and assigns of the named Tenant herein, except as expressly provided in this Article; and if there shall be more than one Tenant, they shall all be bound jointly and severally by the terms, covenants, conditions and agreements herein and the word "Tenant" shall be deemed and taken to mean each and every person or party mentioned as a Tenant herein, be the same one or more; and if there shall be more than one named Tenant, any notice required or permitted by the terms of this Lease may be given by or to any one of them. No rights, however, shall inure to the benefit of any transferee of Tenant unless the transfer to such transferee has been approved by Landlord as provided in this Article. The use of the neuter singular pronoun to refer to Landlord or Tenant shall be deemed a proper reference even though Landlord or Tenant may be an individual, a partnership, a corporation, a group of two or more individuals, partnerships or corporations. The necessary grammatical changes required to make the provisions of this Lease apply in the plural sense where there is more than



one Landlord or Tenant and to either corporations, associations, partnerships, or individuals, males or females, shall in all instances be assumed as though in each case fully expressed.

16.5 Successor to Landlord Interest. The term "Landlord", as used in this Lease, so far as covenants, conditions and agreements on the part of the said Landlord are concerned, shall be limited to mean the party executing this Lease as Landlord, its successors and assigns, and in the event of any transfer or transfers of the interest of Landlord, the transferring Landlord (and in case of any subsequent transfers or conveyances, the then grantor) shall be automatically freed and relieved from and after the date of such transfer of all liabilities under this Lease; it being intended by Landlord and Tenant that the covenants, conditions and agreements contained in this Lease on the part of the Landlord shall, subject as aforesaid, be binding on Landlord, its successors and assigns, only during and in respect of their respective successive periods of ownership.

16.6 Excess Consideration. In the event of any Transfer, fifty percent (50%) of any minimum rent or other consideration paid by such assignee or sublessee in excess of the Minimum Rent and Common Facilitation Charge provided by this Lease (determined on a per square foot basis in the case of a partial sublet) shall be for the benefit of and shall be immediately paid to the Landlord upon receipt by Tenant from such assignee or subtenant.

16.7 Every subletting hereunder is subject to the express condition, and by accepting a sublease hereunder each subtenant shall be conclusively deemed to have agreed, that if this Lease should be terminated prior to the last day of the Lease Term as provided for in this Lease, or if Landlord should succeed to any portion of Tenant's estate in the Premises, then at Landlord's election such subtenant shall either surrender its portion of the Premises to Landlord within sixty (60) days of Landlord's request therefor, or shall attorn to and recognize Landlord as such subtenant's landlord under such sublease, and such subtenant shall promptly execute and deliver any instrument Landlord may reasonably request to evidence such attornment.

16.8 Tenant shall deliver to Landlord a copy of each sublease or assignment made hereunder within ten (10) days after the date of its execution.

16.9 In the event that Tenant fails to execute and deliver any assignment or sublease to which Landlord consented, when required, within ninety (90) days after the giving of such consent, then Tenant shall again comply with all of the provisions of this Article before assigning its interest in this Lease or subletting the Premises.

16.10 The consent of Landlord to a transfer shall not relieve Tenant from obtaining the express consent in writing of Landlord to any further transfer.

16.11 If Tenant's interest in the Lease be assigned, or if the Leased Premises or any part hereof be sublet or occupied by anyone other than Tenant, Landlord may collect rent from the assignee, subtenant or occupant and apply the net amount collected to the Minimum Rent and all additional rent herein reserved, but no such assignment, subletting, occupancy or collection shall be deemed a waiver of the provisions of this Article or of any default hereunder or the acceptance of



the assignee, subtenant or occupant as Tenant, or a release of all or any part of the covenants, conditions, terms and provisions on the part of Tenant to be performed or observed.

#### ARTICLE XVII. OWNERSHIP OF PROPERTY AND SURRENDER OF PREMISES

17.1 Ownership Of Property. Upon termination of this Lease, Tenant shall surrender to Landlord the Premises, including, without limitation, all carpeting, floor coverings, additions, alterations, improvements, apparatus and fixtures, except unattached moveable trade fixtures and furniture installed by Tenant, in good condition and repair, as provided in Section 9.1 hereof.

Landlord waives any and all lien and/or distraint rights or claims it may have in or to the personal property (trade fixtures, equipment or merchandise) of Tenant from time to time located within the Premises, under statute, contract, common law or otherwise. This Lease shall not grant a contractual lien or other security interest to Landlord or in favor of Landlord with respect to Tenant's personal property. Landlord shall not prevent or constrain Tenant's removal of its personal property from the Premises at any time during the Lease Term. Any property of Tenant which remains within the Premises following the expiration or termination of the Lease Term may, at Landlord's sole option, be deemed abandoned and thereafter disposed of by Landlord.

#### ARTICLE XVIII. HOLDOVER BY TENANT

18.1 Rent In The Event Of Holdover. In the event that Tenant shall hold the Premises after the expiration or termination of the Lease Term without the express written consent of the Landlord, such holding shall be deemed to have created a tenancy from month to month terminable upon thirty (30) days' written notice by either party to the other, subject to all terms and provisions of this Lease except that the monthly rental shall be computed on the basis of one-sixth (1/6th) of the total rental payable by Tenant to Landlord during the last twelve (12) month period of the Lease Term, including Minimum Rent and Additional Rent.

18.2 Liability In The Event Of Holdover. If the Tenant fails to surrender the Premises upon the expiration or termination of this Lease, then Tenant shall, in addition to any other liabilities to Landlord accruing therefrom, indemnify and hold Landlord harmless from loss or liability resulting from such failure, including, without limitation, any claims made by any succeeding tenant founded on such failure, provided that Tenant shall in no event be liable for consequential damages.

#### ARTICLE XIX. ADDITIONAL CONSTRUCTION

19.1 Construction By Landlord. Landlord reserves the right, at any time and from time to time, providing reasonable visibility of and access to the Premises are not materially and adversely affected, to make alterations or additions to the Property, to build additional stories on the Building in which the Premises are contained and to build adjoining same and to construct other or add to other buildings or improvements on the Property; provided, however, that such construction or additions shall not unreasonably interfere with the operations of Tenant's business, except when such work is necessitated by emergency or required by structural need.



19.2 Excavation. If an excavation needs to be made upon land adjacent to the Premises, then Tenant will permit the person authorized to do such excavation to enter upon the Premises for the purpose of doing such work as such person deems necessary to preserve the wall or the building in which the Premises is located from damage and to support the same by proper foundations and Tenant shall not be entitled to any claim for damages or indemnification against Landlord nor shall Tenant be entitled to any abatement of rent.

## ARTICLE XX. DEFAULT

20.1 Notice; Remedies. If Tenant fails to pay any Minimum Rent or Additional Rent ("rent") or other payment within ten (10) days after the same is due hereunder and such nonpayment continues for an additional period of ten (10) days after notice from the Landlord to the Tenant that the same is overdue (provided, however, that such notice shall not be required more than two times during the Lease Term after which any such nonpayment beyond such initial ten (10) day period shall be an immediate noncurable default) or, if after thirty (30) days' written notice, Tenant fails to perform any other terms of this Lease (if such term or obligation hereof cannot be performed within thirty (30) days, then if Tenant fails within said thirty (30) day period to commence and thereafter to diligently and continually pursue its obligations hereunder to completion), or if Tenant vacates and abandons the Premises during the Lease Term, or if Tenant assigns or sublets the Premises in violation of the terms of Article XVI hereof, then, in any one or more of such events (sometimes hereinafter referred to as an "event of default"), this Lease shall, at the option of Landlord, terminate and come to an end on the date specified in a notice from Landlord to Tenant, and Tenant shall quit and surrender the Premises to the Landlord as if the term hereunder ended by the expiration of the time fixed therein, but Tenant shall remain liable for all rent accruing prior or subsequent to the termination of this Lease.

If an event of default occurs, whether or not Landlord elects to terminate this Lease, then (a) Landlord shall have the immediate right, pursuant to legal process, if any be applicable, to either pay any sums or do any act on behalf of Tenant, in order to cure a default by Tenant, and any sums expended by Landlord, together with interest thereon, shall be immediately due and payable by Tenant to Landlord, or (b) Landlord may, pursuant to summary process or other lawful means, re-enter the Premises and remove all persons and property from the Premises and such property may be removed and stored in a public warehouse or elsewhere at the cost of, and for the account of, Tenant without Landlord being deemed guilty of trespass or becoming liable for any loss or damage which may be occasioned thereby. Tenant hereby expressly waives any notice to quit possession of the Premises prior to the institution of any such legal proceedings, including a summary process action.

In the event of the termination of this Lease under the terms of this Section, Landlord shall be entitled to recover from Tenant the monthly rentals that would have accrued but for said termination at the times when the same would have accrued, less any sums realized by Landlord, if any, in a reletting of the Premises (after deduction of all costs or reletting, including, but not limited to, real estate commissions and the costs of renovations, repairs and restorations) but Landlord shall



be under no duty to relet the Premises nor shall such reletting be a condition precedent to the right of Landlord to recover hereunder.

Except to the extent otherwise provided by law, if Tenant shall become bankrupt or insolvent or file any debtor proceedings or take or have taken against Tenant in any court pursuant to any statute either of the United States or of any state a petition in bankruptcy (and the same in the event of an involuntary proceeding is not dismissed, discharged, vacated or withdrawn within sixty (60) days after filing of same) this Lease shall thereupon immediately expire and terminate and Landlord may recover possession of the Leased Premises pursuant to law.

In the event of the termination of this Lease pursuant to the provisions of this Section, notwithstanding the provisions of the third paragraph hereof, Landlord shall, at Landlord's option, forthwith be entitled to recover from Tenant as and for liquidated damages, an amount equal to the rent (both Minimum and Additional) reserved hereunder for the unexpired portion of the Lease Term. In the computation of such damages, all rent payable hereunder after the date of termination, shall be discounted from the date installments of rent would be due hereunder if this Lease had not been terminated to the date of payment at the rate of four (4%) percent per annum. In the event that the Premises hereunder are relet after the date of such termination and the date of the collection of the aforesaid liquidated damages, then Landlord agrees that on the date (the "Normal Expiration Date") which would otherwise have been the normal expiration of this Lease but for the termination of this Lease, Landlord shall pay to Tenant a sum equal to the fixed rent actually paid Landlord (exclusive of any escalation payments, tax payments, fuel payments, operating costs payments, percentage payments and the like whether denominated as rent or otherwise) from the date of such termination to the Normal Expiration Date, less any and all expenses of any type, kind or nature incurred by Landlord in connection with the reletting of the Leased Premises whether foreseen or unforeseen and whether ordinary or extraordinary, provided, however, that such payment shall in no event exceed the amount of liquidated damages actually paid by Tenant as aforesaid. The foregoing, however, shall not imply any obligation upon Landlord to relet the Leased Premises hereunder in the event of any termination pursuant to this Section, nor shall it constitute Landlord as Tenant's agent with respect to any reletting of the Premises. Nothing herein contained shall limit or prejudice the right of Landlord to prove for and obtain as liquidated damages by reason of any such termination an amount equal to the maximum allowed by any statute or rule of law in effect at the time when, and governing the proceedings in which such damages are to be proved, whether or not such amount be greater than, equal to, or less than the amount referred to above. The provisions hereof shall survive the expiration or earlier termination of this Lease.

The parties waive trial by jury in any action, proceeding or counterclaim brought by either of the parties hereto against the other on any matters arising out of or in any way connected with this Lease, the relationship of Landlord and Tenant, Tenant's use or occupancy of the Premises and/or any claim of injury or damage. Should Landlord commence any proceedings for nonpayment of rent, Tenant will not interpose any counterclaim, except compulsory counterclaims, in any such proceedings. Nothing herein shall prevent Tenant from bringing and maintaining a separate action in support of any claim which Tenant may have.



Tenant waives any and all rights of redemption granted by or under present or future laws in the event Tenant is evicted or dispossessed for any cause or in the event of Landlord obtaining possession of the Premises by reason of the violation by Tenant of any of the provisions of this Lease or otherwise.

In the event of a breach or threatened breach by Tenant of any provision of this Lease, Landlord shall have the right of injunction as if other remedies were not provided for herein.

Tenant waives any right of defense which it may have to claim a merger and neither the commencement of any action or proceeding nor the settlement thereof or entering of judgment therein shall bar Landlord from bringing subsequent actions or proceedings from time to time.

The rights and remedies given to Landlord in this Lease are distinct, separate and cumulative remedies, and the exercise of any of them shall not be deemed to exclude Landlord's right to exercise any or all of the others or those which may be permitted by law.

20.2 Notice to Landlord. Landlord shall in no event be in default in the performance of any of its obligations in this Lease contained unless and until Landlord shall have failed to perform such obligation within thirty (30) days, or such additional time as is reasonably required to correct any such default, after written notice by Tenant to Landlord properly specifying wherein Landlord has failed to perform any such obligation.

20.3 Force Majeure. Landlord and Tenant shall each be excused for the period of any delay and shall not be deemed in default with respect to the performance of any of the terms of this Lease, except for the payment of rent, when prevented from doing so by causes beyond their reasonable control, which shall include, without limitation, all labor disputes, governmental regulations or controls, fire or other casualty, inability to obtain any materials or services, or reasonable substitutes therefor, war, riots or acts of God.

#### ARTICLE XXI. NO WAIVER

21.1 No Waiver Except In Writing. Failure of Landlord to insist upon the strict performance of any provisions hereof or of any rules and regulations promulgated hereunder or to exercise any option shall not be construed as a waiver for the future of any such provision, rule or option. The receipt by Landlord of any rent or other payment due hereunder with knowledge of the breach of any provision of this Lease shall not be deemed a waiver of such breach. No provision of this Lease shall be deemed to have been waived unless such waiver is in writing signed by the Landlord. No payment by Tenant or receipt by Landlord of a lesser amount than the monthly rent shall be deemed to be other than on account of the earliest rent then unpaid nor shall any endorsement or statement on any check or any letter accompanying any check or payment as rent be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such rent or pursue any other remedy in this Lease, and no waiver by Landlord in respect to one tenant shall constitute a waiver in favor of any other tenant, including Tenant, in the Building.



## ARTICLE XXII. NOTICES

22.1 Addresses. Except as otherwise provided herein, any notice, demand, request, consent, approval or other communication which either party hereto is required or desires to give, make, or communicate to the other shall be in writing and shall be given, made, or communicated by United States certified mail, return receipt requested, or via overnight courier such as Federal Express, addressed, in the case of Landlord, to Landlord's address set forth on the first page of this Lease, and addressed, in the case of Tenant, to the Tenant's address specified on the first page of this Lease; subject to the right of either party to designate a different address by notice similarly given, made or communicated, as the case may be, any such notice to be effective upon receipt or three (3) business days after the date the same is deposited in the United States mail, with postage thereon fully prepaid.

## ARTICLE XXIII. SUBORDINATION AND ATTORNMEN

23.1 Subordination. This Lease and Tenant's rights hereunder are and shall be automatically subordinate to the lien of any mortgage now or hereafter a lien on all or any part of the Property and to all advances made or hereafter made upon the security thereof, and to any ground or underlying lease of the land or buildings; and to all modifications, renewals, extensions, consolidations and replacements thereof without the necessity for the Tenant to execute any further instruments. Notwithstanding the foregoing, within ten (10) days after written request by Landlord or any mortgagee or ground lessor, Tenant shall execute and deliver to Landlord or such mortgagee or ground lessor such instruments as Landlord or any such mortgagee or ground lessor shall reasonably require, including but not limited to, estoppel certificate(s), attornment agreements(s) and/or any other instrument confirming such subordination, all in form and substance acceptable to Landlord and/or such mortgagee(s) or ground lessor(s) and should Tenant fail to furnish such executed instrument within said ten (10) day period, Landlord shall have the right, in addition to any other rights it has hereunder or at law for breach of this Lease, to execute and deliver such instrument as attorney-in-fact for Tenant. Tenant agrees that Tenant shall not seek or be entitled to move to be a party defendant in any foreclosure proceedings under any mortgage covering the Premises.

Landlord agrees that it shall use reasonable efforts to obtain a Nondisturbance Agreement from any mortgagee in form and substance reasonably acceptable to Tenant. Such Nondisturbance Agreement shall provide, together with other provisions customarily included in such agreements, that notwithstanding any default under or foreclosure of such mortgage, and as long as Tenant is not in default of its obligations hereunder, the mortgagee shall not disturb Tenant's possessory rights under this Lease.

23.2 Attornment. In the event of (i) the sale or assignment of Landlord's interest in the Property or (ii) any foreclosure of any mortgage covering the Premises, or (iii) termination of any ground lease, Tenant shall attorn to the purchaser, mortgagee or ground lessor and recognize such purchaser, mortgagee or ground lessor as Landlord under this Lease. Any such purchaser, mortgagee or ground lessor shall not be liable for any act or omission of Landlord arising prior to title to the Property vesting in it; or be subject to any off-sets or defenses which the Tenant might



have against Landlord; or be bound by any amendment or modification of the Lease made without its prior written consent; or be bound by any option to purchase contained in this Lease; or be bound by any notice given by Tenant to Landlord whether or not such notice is given pursuant to the terms of the Lease, unless such notice has also been received by said purchaser, mortgagee or ground lessor; or be liable to Tenant for any rent for more than the current month or for any security deposit or other payment to the Landlord, except to the extent such amount shall have been received by said purchaser, mortgagee or ground lessor.

23.3 Mortgagee Protection Clause. Tenant agrees to give any mortgagee holding a mortgage on the Property, by certified mail, a copy of any notice of default served upon Landlord under this Lease, provided that prior to such notice Tenant has been notified of the name and address of such mortgagee. Tenant further agrees that if Landlord shall have failed to cure such default within the time provided for in this Lease, then the mortgagees shall have an additional sixty (60) days within which to cure such default or if such default cannot be cured within that time, then such additional time as may be necessary if within such sixty (60) days, any mortgagee has commenced and is diligently pursuing the remedies necessary to cure such default (including commencement of foreclosure proceedings, if necessary to effect such cure), in which event this Lease shall not be terminated while such remedies are being so diligently pursued. Failure to tender such notice shall be deemed by a waiver by Tenant of its rights to terminate.

#### ARTICLE XXIV ENVIRONMENTAL COMPLIANCE

24.1. Tenant Compliance. Tenant shall, at its own expense, promptly observe and comply with all present and future laws, ordinances, requirements, orders, directions, rules and regulations of the federal, state, county and city governments and of all other governmental authorities having or claiming jurisdiction, directly or indirectly over the Premises or appurtenances or any part thereof (including, but not limited to, environmental rules and regulations, and such regulations or standards as are or may be promulgated under the Americans Disability Act (ADA), Federal Occupational Safety and Health Act of 1970 or similar federal, state or local requirements), whether the same are in force at the Commencement Date or may in the future be passed, enacted or directed. Without limiting the generality of the foregoing, Tenant shall also procure each and every permit, license, certificate or other authorization now or hereafter required in connection with the lawful and proper use of the Premises.

24.2. Tenant Covenants. Tenant covenants, represent and warrants that Tenant's intended use of the Premises will comply with, and Tenant will not violate in connection with the use, maintenance or operation of the Premises and the conduct of the business related thereto, any applicable federal, state, county or local statutes, laws, regulations, rules ordinances, codes, standards, orders, licenses and permits of any governmental authorities relating to environmental matters (being hereinafter collectively referred to as the "Environmental Laws"), including, without limitation, (a) the Clean Air Act, the Federal Water Pollution Control Act of 1972, the Resource Conservation and Recovery Act of 1976, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, and the Toxic Substances Control Act (including any amendments or extensions thereof and any rules, regulations, standards or guidelines issued



pursuant to any of said Environmental Laws), and (b) all other applicable environmental standards or requirements.

24.3. Hazardous Materials. (a) Tenant shall not cause or permit any Hazardous Material (as hereinafter defined) to be brought upon, kept, or used in or about the Premises by Tenant, its agents, employees, contractors or invitees, without the prior written consent of Landlord (which Landlord shall not unreasonably withhold as long as Tenant demonstrates to Landlord's reasonable satisfaction that such Hazardous Material is necessary or useful to Tenant's business and will be used, kept and stored in a manner that complies with all laws regulating any such Hazardous Material so brought upon or used or kept in or about the Premises). If Tenant breaches the obligations stated in the preceding sentence, or if the presence of Hazardous Material in or about the Premises or the Property caused or permitted by Tenant results in contamination of the Premises or the Property or if contamination of the Premises or the Property by Hazardous Material otherwise occurs for which Tenant is legally liable to Landlord for damage resulting therefrom, then Tenant shall indemnify, defend and hold Landlord harmless from any and all claims, judgments, damages, penalties, fines, costs, liabilities or losses which arise during or after the Term as a result of such contamination. This indemnification of Landlord by Tenant shall include, without limitation, (i) any diminution in value of the Premises or the Property; (ii) damages for the loss or restriction on use of rentable or usable space or of any amenity of the Premises or the Property; (iii) damages arising from any adverse impact on marketing of space; (iv) sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees; (v) costs incurred in connection with any investigation of site conditions or any cleanup, remedial, removal, or restoration work required by any federal, state or local governmental agency or political subdivision because of Hazardous Material present in the soil or ground water on or under the Property; (vi) penalties, fines and/or other costs arising from any order issued by the any federal, state or municipal department or agency having regulatory authority over environmental matters; and (vii) removal of any lien imposed under 42 U.S.C. Section 961 *et seq.*, or under any other federal or state statute or local ordinance imposing a lien for costs associated with cleanup, remedial, removal, or restoration work necessitated by any such contamination. Without limiting the foregoing, if the presence of any Hazardous Material in or about the Premises or the Property caused or permitted by Tenant results in any contamination of the Premises or the Property, Tenant shall promptly take all action at its sole expense as is necessary to return the Premises and/or the Property to the condition it was in prior to Tenant's use of such Hazardous Material in or about the Premises and/or the Property; provided that Landlord's approval of such actions shall first be obtained, which approval shall not be unreasonably withheld so long as such actions would not potentially have any material adverse long-term or short-term effect on the Premises or the Property.

(b) As used herein, the term "Hazardous Material" means any hazardous or toxic substance, material or waste which is or becomes regulated by any local governmental authority, the State of Connecticut, or the United States Government. Hazardous Material includes, without limitation, any material or substance that is (i) regulated under any applicable state statute or regulation as a potential threat to environmental quality; defined as a "hazardous waste" in Title 22a of the Connecticut General Statutes or in any regulation promulgated pursuant thereto; (ii) petroleum, (iii) asbestos, (iv) designated as a "hazardous substance"



pursuant to Section 311 of the Federal Water Pollution Control Act (33 U.S.C. Section 1321), (v) defined as a "hazardous waste" pursuant to Section 1004 of the Federal Water Conservation and Recovery Act, 42 U.S.C. Section 9601 *et seq.* (42 U.S.C. Section 6903), (vi) defined as a "hazardous substance" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601 *et seq.* (42 U.S.C. Section 9601), or (vii) defined as a "regulated substance" pursuant to Subchapter IX, Solid Waste Disposal Act (Regulation of Underground Storage Tanks), 42 U.S.C. Section 6991 *et seq.*

#### ARTICLE XXV. MISCELLANEOUS PROVISIONS

25.1 Additions and Withdrawals. Landlord may, from time to time, and without prior notice to, or consent of Tenant, add property to or withdraw property from the Property; provided, however, that Landlord shall not withdraw property so as to diminish available parking spaces on the Property to a ratio of less than that required by the applicable zoning ordinance of the municipality in which the Property is located. Any property so added shall thereafter be subject to the terms of this Lease and shall be included in the term "Property", and any property so withdrawn by Landlord shall thereafter not be subject to the terms of this Lease and shall be excluded from the term "Property" as used in this Lease.

25.2 Headings. The captions of the Articles and Sections of this Lease are for convenience only and shall not be considered or referred to in resolving questions of interpretation or construction.

25.3 Time of Essence. Time is of the essence with respect to the performance of each of the covenants and agreements under this Lease.

25.4 Construction of Lease. It is agreed that in the construction and interpretation of the terms of this Lease, any rule of construction that a document is to be construed most strictly against the party who prepared the same shall not be applied, it being agreed that both parties hereto have participated in the preparation of the final form of this Lease.

25.5 Governing Law. This Lease and the enforcement hereof shall be governed by the laws of the State of Connecticut without giving effect to the conflict of law principles thereof.

25.6 Severability. If any provision of this Lease or any paragraph, sentence, clause, phrase or word appearing herein be judicially or administratively held invalid or unenforceable for any reason whatsoever, such holding shall not be deemed to affect, alter, modify or impair in any manner whatsoever any other term, provision, paragraph, sentence, clause, phrase or word appearing herein.

25.7 Interest Rate. Where under the terms of this Lease interest shall be provided for, such interest, unless a specific interest rate is set forth, shall be at the rate of ten percent (10%) per annum, but in no event higher than the highest lawful rate of interest per annum permissible under the laws of the State of Connecticut, and shall accrue from the date when the same



becomes due and payable by the terms and provisions hereof until fully paid, to which shall be added reasonable attorneys' fees.

25.8 Consent. Where, under the terms of this Lease, the consent of or approval by Landlord or Tenant shall be required, such consent and approval, unless otherwise expressly provided herein, shall not be unreasonably withheld, conditioned or delayed.

25.9 Entire Agreement. This Lease and the exhibits, riders and/or addenda, if any, attached hereto contain all covenants and agreements between Landlord and Tenant relating in any manner to the rental, use and occupancy of the Premises and the other matters set forth in this Lease. No prior agreement or understanding pertaining to the same shall be valid or of any force or effect, and the covenants and agreements of this Lease cannot be altered, changed, modified or added to, except in a written document signed by Landlord and Tenant. No representation, inducement, understanding or anything of any nature whatsoever, made, stated or represented on Landlord's behalf, either orally or in writing (except this Lease), has induced Tenant to enter into this Lease. The submission of this document for examination does not constitute an offer to Lease, or a reservation of an option for the Premises, and becomes effective only upon execution and delivery thereof by Landlord and Tenant.

25.10 Objection to Statements. Tenant's failure to object to any statement, invoice or billing rendered by Landlord within a period of forty-five (45) days after its receipt thereof shall constitute Tenant's acquiescence with respect thereto and shall render such statement, invoice or billing an account stated between Landlord and Tenant.

25.11 Brokerage Commission. Landlord and Tenant warrant and represent each to the other that they have not had any dealings with any realtor, broker or agent, in connection with the Premises or the negotiation of this Lease other than OR&L Commercial and Pequot Commercial. The commissions due OR&L Commercial and Pequot Commercial are to be paid by Landlord. Each party agrees to indemnify, defend and hold the other harmless from all claims, liabilities, actions, suits and damages, including attorneys' fees, arising from any breach of their respective representations contained in this Section.

25.12 Relationship of Parties. Anything in this Lease to the contrary notwithstanding, it is agreed that Landlord shall in no event be deemed to be a partner or engaged in a joint venture with Tenant, or any party associated with Tenant in the conduct of its business or otherwise, nor shall Landlord be liable for any debts incurred by Tenant in the conduct of its business. The relationship of Landlord and Tenant as established by this Lease is that of Landlord and Tenant. None of the language or terminology of this Lease shall be construed to create any other form of relationship between Landlord and Tenant.

25.13 Memorandum of Lease. Tenant agrees that it shall not record this Lease and acknowledges that such agreement is a material term of this Lease. In the event Tenant breaches this covenant, Landlord shall have the right thereafter to terminate this Lease by written notice to Tenant which shall effectively terminate this Lease upon recording such notice in the same records as where the Lease is recorded. At the request of either party, Landlord and Tenant will



execute a Memorandum of Lease in form required for recordation, which either party may record in the appropriate Land Records. When the Commencement Date has occurred and also when the Rent Commencement Date has occurred, upon request of either party, the Landlord and Tenant shall sign a document in recordable form setting forth the actual Commencement Date and Rent Commencement Date, as the case may be and the expiration date of the Lease Term.

25.14 Past Due Rent. If Landlord does not receive any Minimum Rent, Additional Rent or other amounts or charges to be paid to Landlord by Tenant, when due and payable as provided in this Lease, Tenant shall pay, as Additional Rent, interest thereon until fully paid, which obligation shall continue after any judgment until fully satisfied, and if the same is not paid within ten (10) days of its due date, Tenant shall pay, as Additional Rent, a late charge equal to five percent (5%) of each installment past due to cover the administrative costs and expenses involved in administering delinquent accounts.

25.15 Limitation of Liability. Anything in this Lease to the contrary notwithstanding, Tenant agrees that it shall look solely to the estate and property of the Landlord in the land and buildings comprising the Property, subject to the prior rights of any mortgagee of the Property or any part thereof, for the collection of any judgment (or other judicial process) requiring the payment of money by Landlord in the event of any default or breach by Landlord with respect to any of the terms, covenants and conditions of this Lease to be observed and/or performed by Landlord, and no other assets of the Landlord, or any of its shareholders, directors, partners, employees or agents shall be subject to levy, execution or other procedures for the satisfaction of Tenant's remedies.

25.16 Legal Fees. In the event of any litigation between Landlord and Tenant with respect to this Lease, the party prevailing in the litigation after expiration of all applicable appeal periods shall be entitled to recovery of its legal fees and disbursements in connection therewith.

25.17 Security Deposit. None.

25.18 Application of Payments. Tenant waives Tenant's rights, if any, to designate the items against which any payments made by Tenant are to be credited, and Tenant agrees that Landlord may apply any payments made by Tenant to any items it sees fit, irrespective of and notwithstanding any designation or request by Tenant as to the items against which any such payments shall be credited.

25.19. Receipt Not Waiver. The receipt or acceptance by Landlord of rent with knowledge of a breach by Tenant of any term, agreement, covenant, condition or obligation of this Lease shall not be deemed a waiver of such breach.

25.20. No Accord and Satisfaction. No payment by Tenant or receipt by Landlord of any lesser amount than the correct Minimum Rent or Additional Rent due hereunder shall be deemed to be other than a payment on account, nor shall any endorsement or statement on any check or any letter accompanying any check or payment be deemed to effect or evidence an accord and



satisfaction, and Landlord may accept any check or payment without prejudice to Landlord's right to recover the balance due or pursue any other remedy in the Lease or at law provided.

25.21. Prepaid Rent. At the time of its execution of this Lease, Tenant shall pay the sum of \$1,242.93 to the Landlord representing payment of the following items for the first full calendar month of this Lease: (A) The Tenant's pro-rata share of the Common Facilities Charge in the amount of \$572.82; and (B) the Tenant's monthly pro-rata share of Real Estate Taxes in the amount of \$671.11.

25.22. Lease Not Binding Unless Executed. Submission by Landlord of the within Lease for execution by Tenant, shall confer no rights nor impose any obligations on either party unless and until both Landlord and Tenant shall have executed this Lease and duplicate originals thereof shall have been delivered to the respective parties.

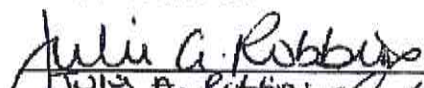
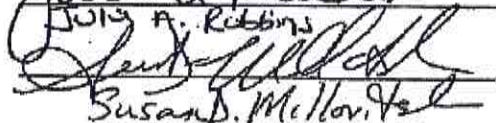
[SIGNATURE PAGES TO FOLLOW]

Suzanne D. Milonich  
Notary Public  
My Commission Expires on July 31

IN WITNESS WHEREOF, Landlord has hereto executed this Lease as of the day and year first above written.

Signed, Sealed and Delivered

In the Presence Of:

  
Julie A. Robbins  
  
Susan D. Millovitch

**LANDLORD:**  
**NINETEEN THAMES STREET**  
**PARTNERSHIP**

By:   
Name: Lawrence Chesler  
Title: Managing Partner


STATE OF CONNECTICUT )

) ss: Norwich

March 5, 2012

COUNTY OF NEW LONDON )

Personally appeared Lawrence Chesler, a Managing Partner of Nineteen Thames Street Partnership, a Connecticut general partnership, signer and sealer of the foregoing Instrument and acknowledged the same to be his free act and deed, and the free act and deed of the said general partnership, before me.

  
~~Commissioner of the Superior Court~~  
Notary Public


My commission expires: \_\_\_\_\_  
Susan D. Millovitch  
Notary Public  
My Commission Expires on July 31, 2014



IN WITNESS WHEREOF, Tenant has hereto executed this Lease as of the day and year first above written.

**TENANT:**  
**BAILEY AGENCIES,**  
**INCORPORATED, dba**  
**BAILEY INSURANCE AGENCIES**

Regal  
Frank Miller

By:   
Name: John F Scott IV  
Title: President

STATE OF CONNECTICUT )  
 ) ss: Groton March 1, 2012  
COUNTY OF NEW LONDON )

Personally appeared John F Scott IV, duly authorized of Bailey Agencies, Incorporated, a Connecticut corporation, dba Bailey Insurance Agencies, signer and sealer of the foregoing Instrument and acknowledged the same to be his free act and deed, and the free act and deed of said corporation, before me.

Peggy Kiza  
Commissioner of the Superior Court  
Notary Public  
My commission expires: 9.30.2014

1. REMOVE EXISTING WINDOW AND COUNTER AND RELOCATE AT 2. REAR EXISTING HALL WITH NEW METAL STUDS AND 8" FIRE RATED STEEL I BEAM PARTIAL FOR NEW HALL.
2. INSTALL WINDOW AND COUNTER AS INDICATED PREPARE HALL FOR NEW FINISH
3. NEW BRICK SLAB UNDER AND WIDE LIGHT FROM LOBBY TO WAITING ROOM SHOW DRAWINGS FOR APPROVAL BY ARCHITECT

4. DELISTED
5. REMOVE EXISTING COFFE BAR, COMPLETELY INCLUDING UTILITIES AND RESTFACE. EXTERIOR WALL WITH 3" SYSTEM-BOARD PREFRAME FOR NEW FINISH. INSTALL NEW BASE TO MATCH EXISTING. INSTALL NEW OUTLETS FOR COPY CENTER LOCATIONS IN 12 X 12 FLOOR. TEL/DATA WIRING TO BE PROVIDED BY TENANT.
6. INSTALL NEW COFFE BAR LAYOUT AND CABINET DESIGN TO BE DETERMINED IN LOCATION EXHIBIT.
7. PREPARE THE CREW/ISSUES FOR REMAINING NEW DOORS IN THE EXISTING ROOMS AS REQUIRED BY TENANT.
8. ALL OTHER EXISTING SPACES TO REMAIN AS IS, PREPARE FOR AND INSTALL NEW FINISHES.
9. WORK TO BE PROVIDED BY LANDLORD:
  - 9.1 INSTALL NEW ONE ENERGY EFFICIENT HVAC SYSTEM
  - 9.2 REMOVE EXISTING PERIMETER BASEBOARD RADIATION
  - 9.3 SUB-METER ELECTRIC SERVICE TO DEBISHED PREMISES.
  - 9.4 INSTALL NEW ENTRY DOOR SYSTEM TO SUITE.
  - 9.5 INSTALL RECYCLED RECEPTION WINDOW AND CORNER
  - 9.6 INSTALL NEW KITCHEN CABINETS\*, COUNTERTOP, AND SINK IN BREAKROOM. INSTALL DISHWASHER SUPPLIED BY TENANT
  - 9.7 INSTALL GFI OUTLET IN BREAKROOM
  - 9.8 REFINISH OFFICE DESKS AND REPLACE EXISTING CABINS
  - 9.9 PATCH AND REPAIR WALLS, PAINT DEBISHED PREMISES.
  - 9.10 RE-PAINT 12 DEBISHED PREMISES, AND LOBBY
  - 9.11 INSTALL CABINET IN BREAKROOM, COPY CENTER
  - 9.12 RE-PAINT BASE WALLING
  - 9.13 ALL WINDOW BLINDS ARE TO BE CHECKED REPAIRED OR REPLACED AS NECESSARY TO PROVIDE FUNCTIONING WINDOW TREATMENT
10. REMOVE LOBBY INNER DOORS AND Sidelights, RELOCATE FIRE ALARM PULLS, PATCH AND REFINISH LOBBY.
11. REMOVE PONES, PILES IN OFFICE HALL AND REPAIR ACT CEILING
12. ALL NEW AND EXISTING WORK TO BE FINISHED BY SUB-CONTRACTORS



PRELIMINARY BUDGET  
1<sup>ST</sup> FLOOR RENOVATIONS  
15 THAMES STREET  
Groton, Connecticut

NINETEEN THAMES STREET PARTNERSHIP

DATE: 2/27/2012

APPROXIMATELY 6,353 SQ. FT.

DESCRIPTION	ITEM BREAKDOWN	TOTAL
SUMMARY OF WORK	INCLUDED ARE MATERIALS AND LABOR FOR THE CONSTRUCTION OF 1 <sup>ST</sup> FLOOR TENANT IMPROVEMENTS. DOES NOT INCLUDE LOBBY RENOVATIONS, BASE BUILDING IMPROVEMENTS OR TELE/DATA WIRING.	
ENTRY/ RECEPTION	INSTALL NEW FIRE RATED GLASS ENTRY DOOR W/ SIDE LIGHT ENTERING NEW RECEPTION/ WAITING AREA. RELOCATE EXISTING RECEPTION WINDOW AND COUNTER.	\$ 8,500
CARPET	REMOVE AND REPLACE EXISTING CARPET AND VINYL BASE.	\$16,450
DOORS	REFINISH OFFICE DOORS AND REPLACE TRIM WORK	
PAINT	PATCH, PRIME AND PAINT WALLS AND FIRE DOORS	\$ 9,400
KITCHEN/ BREAK ROOM	INSTALL NEW KITCHEN COUNTER TOP, SINK, UPPER CABINETS. INSTALL NEW VCT FLOORING. ELECTRIC OUTLETS AS REQUIRED FOR TENANTS APPLIANCES.	\$ 6,300
MISCELLANEOUS	REMOVE POWER POLES FROM OFFICE POOL. REPAIR AND/OR REPLACE BROKEN OR MISSING BLINDS.	
	SUBTOTAL=====	\$40,650
	10% CONTINGENCY=====	\$ 4,065
	SALES TAX=====	
	TOTAL=====	\$44,715